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Congress of the United States House of Representatives

Washington, DC 20515

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NATURAL RESOURCES COMMITTEE SUBCOMMUTEE ON NATIONAL PARKS, FOREST, AND PUBLIC LANDS SUBCOMMITTEE ON FISHERIES, WILDLIFE.

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June 24, 2011

The Honorable Julius Genachowski Chairman Federal Communications Commission 445 12th St. SW Washington, DC 20554

Dear Chairman Genachowski:

We are writing to express our concern about proposals to reform the Universal Service Fund (USF) and the Intercarrier Compensation (ICC) system being considered by the Federal Communications Commission (FCC).

Certain proposals under review by the FCC could have a devastating impact on small, rural communications providers in our state and their customers. These proposals seem to discount or disregard altogether the great strides that so many rural cooperatives and small commercial communications providers have made in using valuable USF and ICC resources to provide outstanding service in remote, hard-to-reach, and high-cost areas of rural America. We should embark on a policy course that builds upon this successful model rather than seeking to dismantle it. Doing anything less will do a disservice to our constituents, make rural economic development initiatives more difficult, and put a large amount of the Rural Utilities Service (RUS) loan portfolio—taxpayer money—at great risk.

We all agree with the need to reform USF and ICC, but we need to do so in a deliberate and careful way that both promotes broadband service where it is not available today and also does not harm rural customers who already have broadband service. Without access to reasonably comparable broadband service, rural America will continue to fall behind in terms of distance education, telemedicine, and economic development. Today, access to affordable broadband service isn't a luxury—it's a fundamental way of doing business, educating our children, enhancing medical care, and protecting our national security. Decisions you and your colleagues make today, will have dramatic, long-term implications about the quality of life for rural communities.

We urge you and your colleagues to carefully consider the harm any specific proposal will cause to all rural consumers in our state, and to explain in detail how any decision you make achieves

the twin goals of both keeping broadband where it is today and promoting more widespread availability. I hope the Commission will take whatever steps are necessary to move away from USF and ICC reforms that would undermine the availability and affordability of services offered by small rural providers in high-cost areas, and instead will implement reforms that build upon the great success so many rural communications providers have had in deploying robust broadband.

Thank you for your consideration, and I look forward to hearing from you.

Sincerely,

Congressman Ron Kind

Congressman Tom Petri

Congressman Sean Duffy

Heb Kohl

Senator Herb Kohl

Congressman Jim Sensenbrenner

Congressman Reid Ribble

JULIUS GENACHOWSKI

FEDERAL COMMUNICATIONS COMMISSION

November 17, 2011

The Honorable Ron Kind U.S. House of Representatives 1406 Longworth House Office Building Washington, D.C. 20515

Dear Congressman Kind:

Thank you very much for your letters regarding the Commission's efforts to reform and modernize the Universal Service Fund (USF) and the intercarrier compensation system (ICC). Your thoughts and concerns were a valuable contribution to our process, and were considered as part of the Commission's deliberations.

On October 27, after many years of hard work on Capitol Hill, among the FCC's Commissioners, and by Commission staff, the Commission unanimously adopted a comprehensive Order overhauling the broken and backward-looking USF and ICC systems for the Internet age. By transitioning these programs to the Connect America Fund, we are delivering on our shared national goal of universal voice and broadband service – including universal mobile voice and broadband service – and enabling increased private sector investment in the indispensable infrastructure of the 21st century: broadband. Importantly, our reforms are fiscally responsible, eliminating waste and inefficiency, using market-based mechanisms to target support where it is needed, and putting the Fund on a firm budget.

The Commission's Order will create jobs beginning in 2012, and lay the foundation for enduring job creation, economic growth, and U.S. global competitiveness for years to come.

For your information, I am enclosing a copy of the Order's "Executive Summary." Please let me know if I can be of any further assistance.

Sincerely,

Julius Genachowski

Enclosure